




STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF INTELLECTUAL DISABILITIES SERVICES
ANDREW JACKSON BUILDING, 15TH FLOOR
500 DEADERICK STREET
NASHVILLE, TN 37243

MEMORANDUM

MEMO - #143

TO: Providers of Residential and Day Services

FROM: James R. Finch, Ed.D.
Deputy Commissioner 

DATE: July 1, 2010

SUBJECT: Revised Health Oversight Requirements

The purpose of this memorandum is to clarify expectations regarding the revised health care oversight requirements for providers receiving Level 4 or 6 reimbursement for Residential Services and for providers receiving Level 6 reimbursement for Day Services.

Prior to July 1, 2010, provider agencies receiving Level 4 or Level 6 reimbursement for Residential Services or Level 6 reimbursement for Day Services were required to provide health care oversight **by a Registered Nurse**, regardless of the individualized needs of the service recipients. Please note that this was **not** direct nursing services, but rather health care oversight, i.e., ongoing systematic monitoring and review to assure that the service recipient's health care needs are being addressed. This could include such things as oversight of the Medication Administration Record and medication errors.

However, not everyone for whom these higher levels of reimbursement are being provided require such oversight **by a Registered Nurse**. There is not necessarily a correlation between chronic medical (or health care) needs and the circumstances which may give rise to higher levels of reimbursement, which very often are behavioral (rather than medical) in nature.

Accordingly, effective July 1, 2010, providers are no longer required to perform health care oversight **by a Registered Nurse**, even when Level 4 or 6 reimbursement for Residential Services or Level 6 reimbursement for Day Services is authorized.

Also effective July 1, 2010, and in the face of severe budgetary constraints, the component of the Level 4 and 6 reimbursement rates for Residential Services and the Level 6 reimbursement rates for Day Services which had been provided for Registered Nurses to perform these oversight functions in every case was eliminated. **The rates were reduced commensurately for the Residential Services, but the rates were not changed for the Day services.**

It is, however, important to note that it is an ongoing expectation of the Division of Intellectual Disabilities Services (DIDS) that each person receives the level of health care oversight necessary to ensure that all his/her health care needs are met. **Providers remain obligated, pursuant to the State's approved Section 1915(c) waiver applications, to perform appropriate health care oversight and by appropriately qualified staff**, which in some cases may be a Registered Nurse, and in other cases may not.

Revised Health Oversight
July 1, 2010
Page two

Providers are encouraged to review these requirements which can be found in Chapter 11 of the Provider Manual.

JRF:kc

cc: Debbie Payne, Assistant Commissioner of Community and Facility Services
Joanna Damons, Assistant Commissioner of External Development and Grants
Kathleen Clinton, Assistant Commissioner of Policy and Rule Development
Fred Hix, Assistant Commissioner of Administrative Services
Laura Dautre, Director of Person-Centered Practices
Pat Nichols, Director of Quality Assurance
Barbara Charlet, Director of Compliance
Richard Strecker, Director of Operations
Lee Vestal, Director of Internal Audit
Steve Tepley, General Counsel
Regional Directors
Regional Nursing Directors